



# County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA  
Chief Executive Officer

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Third District

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Fifth District

August 30, 2010

To: Supervisor Gloria Molina, Chair  
Supervisor Mark Ridley-Thomas  
Supervisor Zev Yaroslavsky  
Supervisor Don Knabe  
Supervisor Michael D. Antonovich

From: William T Fujioka  
Chief Executive Officer

A handwritten signature in black ink, appearing to read "W. T. Fujioka", is written over the printed name and title.

## SACRAMENTO UPDATE

This memorandum contains an update on the State Budget; an update on County-sponsored legislation relating to the reopening of the Martin Luther King, Jr. Hospital; and status updates on four County-advocacy measures.

### State Budget

On August 31, 2010, which is the final day of the 2009-10 Legislative Session, the Legislature is scheduled to vote on two separate State Budget proposals, the Democratic Budget Proposal and a newly developed Republican Budget Proposal. Neither proposal is expected to garner the necessary two-thirds vote for passage and it does not appear at this time that there is a compromise on either plan.

As previously reported, the Democratic Budget Proposal avoids major program reductions to health and human services programs proposed in the Governor's May Revision and relies heavily on increased revenue projections from the delay of corporate taxes, creation of an oil severance tax, additional Federal funds, and a complex tax scheme which would increase the Personal Income Tax and Vehicle License Fee, and reduce the State sales tax rate.

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The new Republican Budget Proposal is expected to retain most of the reductions in the Governor's May Revision including the elimination of the CalWORKs Program. The Republican Proposal would not increase taxes. However, according to news accounts, the plan would drop some of the Governor's proposals including the shift of non-serious, non-violent, and non-sex offenders with felony from State prisons to county jails.

Governor Schwarzenegger and the four Legislative leaders, known as the Big-Five, met on August 26, 2010 and agreed to schedule a vote on the budget for August 31, 2010 without a compromise proposal. Upon the vote, negotiations to develop a budget plan to address the \$19.1 billion State Budget deficit are expected to continue.

#### **Status of County-Sponsored Legislation**

**County-sponsored AB 2599 (Bass and Hall)**, which as amended on August 20, 2010, would codify the agreement between Los Angeles County and the University of California and provide adequate and predictable funding for the new Martin Luther King, Jr. Hospital, passed the Assembly Floor by a vote of 46 to 15 on August 27, 2010. This measure now proceeds to the Governor.

#### **Status of County-Advocacy Legislation**

**County-opposed AB 2456 (Torrico)**, which as amended on August 20, 2010, would require local Emergency Medical Services (EMS) agencies to adhere to the policies and procedures issued by the California EMS Authority, passed the Assembly Floor by a vote of 52 to 19 on August 26, 2010. This measure now proceeds to the Governor.

**County-opposed AB 2531 (Fuentes)**, which as amended on August 3, 2010, would expand activities eligible for redevelopment to include: 1) the provision of direct assistance, including but not limited to loans, loan guarantees and other financial assistance, to businesses within redevelopment project areas for retaining and expanding employment, or achieving certain environmental objectives; and 2) job training, job placement, apprenticeship and pre-apprenticeship programs within redevelopment project areas, passed the Assembly Floor by a vote of 50 to 26 on August 27, 2010. This measure now proceeds to the Governor.

**County-supported SB 1091 (Hancock)**, which as amended on August 20, 2010, would require the State to seek Federal approval to extend Medi-Cal benefits to eligible youth awaiting adjudication in county juvenile detention facilities and require counties to pay the State's share of the non-Federal portion of Medi-Cal, passed the Senate Floor by a vote of 37 to 0 on August 26, 2010. This measure now proceeds to the Governor.

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**County-supported SB 1392 (Steinberg)**, which as amended on August 18, 2010, would expedite and streamline the allocation of mental health services and Mental Health Services Act funds to counties, passed the Senate Floor by a vote of 32 to 0 on August 27, 2010. This measure now proceeds to the Governor.

We will continue to keep you advised.

WTF:RA  
MR:VE:sb

c: All Department Heads  
Legislative Strategist  
Local 721  
Coalition of County Unions  
California Contract Cities Association  
Independent Cities Association  
League of California Cities  
City Managers Associations  
Buddy Program Participants